

Adams, Hope

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Sent: Tuesday, November 2, 2021 11:29 AM
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Cc: Butler, David; Wilson, Elise; Wheat, Jo; PSC_Contact
Subject: [External] Docket No. 2021-143/144-E - Duke (Morgan Cross Exhibit 3)
Attachments: Morgan Cross Exhibit No 3 - Jan 2021 EE-DSM Collaborative Minutes.pdf

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DEC/DEP Carolinas EE DSM Collaborative Meeting Minutes

January
2021

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| Meeting Date/Time: | January 29, 2021 9:00 AM to 1:00 PM EST |
| Location: | Microsoft Teams with video capability |
| Facilitator: | Lynda Shafer, Duke Energy |
| Attendees: | |
| Dana Bartolomei, National Housing Trust | Taylor Evans, Duke Energy |
| Forest Bradley-Wright, Southern Alliance for Clean Energy | Shelley Robbins, Upstate Forever |
| Daniel Brookshire, NC Sustainable Energy Association | Ryan Miller, NC Building Performance Association |
| Natasha Pauling, SC Community Action Partnerships | Kevin Martin, Carolina Utility Customers Association |
| Tim Duff, Duke Energy | Leigh Ford, Duke Energy |
| Bob Evans, Duke Energy | Karen Holbrook, Duke Energy |
| Casey Fields, Duke Energy | Jen Weiss, Nicholas Institute |
| Lari Granger, Duke Energy | Laura Langham, NC Sustainable Energy Association |
| Chad Lynch, Duke Energy | Rick Campana, SC ORS Energy Office |
| Jim Grevatt, Energy Futures Group | Stacey Washington, SC ORS Energy Office |
| Claire Williamson, NC Justice Center | Jean Williams, Duke Energy |
| Nathan Holder, Advanced Energy | David Williamson, NC Public Staff |
| Mark Kametches, Duke Energy | Jeremy Morrison, Duke Energy |
| Rodney Allison | Frank Keneipp, Tierra |
| Megan Fox, Duke Energy | Gretchen Pool, SC ORS |
| Greg Schiekle, Duke Energy | Kristin Riggins, Advanced Energy |
| Tom Hines, Tierra | Natasha Pauling, SCACAP |
| Lon Huber, Duke Energy | O'Neil Morgan, SC ORS |
| Eddy Moore, Coastal Conservation League | Michael Stowe, Advanced Energy |
| Walt Brown, Duke Energy | Devin O'Neal, CUCA |
| Brian Henderson, Environment and Energy Study Institute | Pam Atwood, NC Housing Coalition |
| Zarka Naba, Public Staff | Bob Hinton, NC Public Staff |
| Odette Mucha, Vote Solar | Landon Williams |
| Sue Dinnsen, Duke Energy | |
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Slides were provided to the meeting attendees in advance and were displayed during the meeting.

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Minutes:

Safety Message (Lynda Shafer)

Introductions

- Encouraged attendees to see list on Microsoft Teams

Regulatory Update (Lynda Shafer)

- Discussed the DEC EE/DSM cost recovery filings in NC and SC
- Updated on status of program modifications, including Multifamily which has not been filed yet
- Collaborative Q&A:

EE Roadmap (Jen Weiss)

- Collaborative Q&A:
 - Lynda Shafer: what's next? JW: exploring solutions for energy insecurity; Tim Duff: how is insecurity defined? JW: as the inability to pay, but bigger than energy burden because it takes into account the other bills a customer has
 - Shelley Robbins: the opt out study did not have consensus in the sessions, but when we looked at the list, there are many customers that are not the ones you'd expect (large industrial) so the ability to drill down could be helpful; Jim Grevatt: is opt out statutory requirement? LS: yes, in NC. In SC it was from the settlement.

2021 Priorities (Income-qualified program update from Chad Lynch)

(See slide for full list of suggestions)

- Collaborative Q&A:
 - Tim Duff: why did the national average drop (in SACE's EE in the Southeast Annual Report)? FBW: increased load in 2019, Brian Henderson: could be the result of beneficial electrification efforts
 - Shelley Robbins: why is SC so low? CL: SC does not have an exemption to count Duke funds as discretionary like NC does; SCACAP doesn't have the same restrictions and is focused on HVAC so the numbers may improve; Taylor Evans: has fewer customers too

Reserve Margin Adjustment Factor (Tim Duff)

- Collaborative Q&A:
 - Jim Grevatt: what is the impact on avoided costs? TD: approximately 3% (capacity is 30-40% and the adjustment is ~11% of that)
 - Claire Williamson: the IRP sees EE as load reduction rather than a resource. Is that changing? TD: hard to predict so hard to include as a resource; so no changes are likely;

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Bob Hinton: there is no integration phase that links the IRP to determine what EE is necessary

- Bob Hinton: the method described for RMAF is the right way to proceed; be aware that it will add costs to the rider; TD: or could be viewed as a way to account accurately for the benefits to the system.

LMI Study (Jean Williams)

- Collaborative Q&A:
 - Shelley Robbins: Will the Collaborative get to be part of the NEB study? LS: yes, once we begin getting RFPs and supplying assumptions
 - Shelley Robbins: ODC proposal only has online survey even after notifying by letter. Can the inevitable bias be mitigated by leaning on secondary sources; JW: there will be bias but the costs are restrictive; Claire Williamson: could you app so survey is available on phones (ie, PollFish).
 - Shelley Robbins: is NEI section necessary since we're doing a NEB study? Jim Grevatt: especially if it's strictly looking at economic impacts; JW: qualitative data will also be included
 - Lynda Shafer: do we need to ask NEI questions to non-participants? JW: no, but only the second and third parts of the NEI section are surveys; the first part will show savings (including negative savings)
 - Tim Duff: because of the cost, we will ask for approval before starting study
 - JW: do we need the consumption analysis? Jim Grevatt: if the same as bill savings in EM&V then no; JW: will include negative savings, perceptions and explore reasons for low savings; Claire Williamson: data gap exists between what programs can save and what they actually save and why; this study is chance to evaluate the whole experience

Winter Peaking Study Final Report (Tom Hines, Lon Huber)

- Collaborative Q&A:
 - Shelley Robbins: benefits stacking is another reason to look at developments in cost-effectiveness testing
 - Jen Weiss: is this study publicly available? TH: yes, will send copy out through Lynda
 - Tim Duff: how much of the savings are from rate design vs programs? TH: over 50% from rate design, less than 50% from programs
 - Jim Grevatt: Can you say anything about how heat pump water heaters do, or do not fit into winter peak management? TH: yes, viewed with connected controls
 - Brian Henderson: With rewiring of heat pumps to be secondary to the electric resistance heat, do you have some approx cost estimates for contractor rewiring?
 - Kevin Martin: IRP predicts industrial load to contract. was this contraction accounted for in projections? TH: yes

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- Eddy Moore: Could the winter heat pump wiring be correctly set as a matter of course during some other program activity such as summer tune ups or installing new heat pump for air conditioning at burnout in the summer? Maybe this already occurs. TH: I think we need to do work in HVAC contractor training to encourage them to look at heat strips as well as do education with customers about this savings opportunity. Our info indicates this is not typically currently being done, and I agree we should try to leverage other HVAC house visits to help deliver these potential added winter peak savings. EM: I watched the control on a friend's HVAC get rewired for maybe a different problem, but the work itself (just on the control setting) seemed trivial. From that conversation, I agree contractor education is likely key. But it might provide implementation with almost no program cost.
- David Williamson: long study with holistic approach; how costs get allocated to the rider (vs being considered part of the rate design changes) remain to be seen
- Odetta Mucha: It would be really interesting to consider how these programs could be targeted at customers with highest energy burdens, on the resi side. it could maximize impacts of the savings on households that need it the most; LH: we have begun talks with stakeholders about that

Solar as EE (Lon Huber and Leigh Ford)

- Collaborative Discussion
 - David Williamson: what part of this can be considered "traditional EE"? Seems that pairing solar with a thermostat and TOU makes more sense; TD: BYOT is a stand alone offering that is merely an eligibility requirement; the reduction of consumption (thanks to behind the meter consumption) is EE; LH: we will have that plus CPP
 - David Williamson: is solar replacing energy or actually reducing consumption? TD: behind the meter usage is reducing consumption; DW: may need to talk further to come to agreement
 - Jen Weiss: The incentive goes to the customer upfront but the DR contract stays with the meter. How is this communicated at time of sale? 25 years is a long contract; LH: we will have to have the requirements spelled out since they're tied to the meter; JW: similar thought needs to go into OBF as well; TD: may be easier since most home buyers request energy bill disclosure already

New Program Ideas: Manufactured Homes

- Collaborative Q&A:
 - Jim Grevatt: what about duct repair? Sue Dinnsen: it is included in Smart Saver already (\$100 for 12% reduction) and is available to manufactured homes
 - David Williamson: Dominion in the slides is Dominion VA or SC? Because Dominion VA has struggled with .4 UCT and had to halt programs temporarily; CF: SC

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- Forest Bradley-Wright: what's next? CF: measure selection, cost effectiveness screening, determine if measures have been tried or dismissed previously and if so, why?, get approval internally to move forward with necessary tariff changes
- Lynda Shafer: can NPD update us in March and what support can we offer? CF: yes and send as much data as is available to share
- Shelley Robbins: can we pair with technical colleges? CF: working on that in NC already in response to EE Roadmap recommendation; SR: have same recommendation in SC too

Wrap Up and Scheduling

- Schedule March meeting in the first half of the month
- Schedule follow up call to discuss priorities for 2021